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E.O. 12958: DECL: 12/07/2017

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SUBJECT: WHA DAS KIRSTEN MADISON MEETING WITH HAITIAN PRIME
MINISTER ALEXIS

REF: PORT-AU-PRINCE 344

Classified By: Ambassador Janet Sanderson. Reason: E.O. 12958 1.4 (b)
, (d)

Summary

¶1. (C) WHA DAS Kirsten Madison assured Haitian Prime Minister Alexis that the U.S. commitment to Haiti remains strong and was bolstered by a regional effort that brought in several Latin American nations. She emphasized that Haiti has come a long way and we want to preserve and build on what has been achieved. This requires respecting the constitutionally prescribed elections schedule, including the now overdue Senate elections. The PM emphasized his government's commitment to rebuilding the Haitian state and sticking to its policy of macroeconomic stability while also stimulating local economies and creating jobs. The PM emphasized that the International Donors Conference scheduled for late April in Port-au-Prince will coordinate assistance with Haiti's new National Strategy Document on Growth and Poverty Reduction. End summary.

¶2. (C) WHA DAS Kirsten Madison, accompanied by the Ambassador and Pol Section Chief, called on Prime Minister Jacques Edouard Alexis in his office on February 21. DAS Madison remarked how much Haiti had changed in recent years for the good. The U.S. commitment to helping Haiti remains strong, as seen in the large request for Haiti in the Administration's FY09 budget request. The USG also considered the participation of many regional countries and the leadership shown by Brazil in the effort to help Haiti very valuable.

GOH Strategy

¶3. (C) The PM reviewed his government's strategy of consolidating democracy. It wanted to prove to the Haitian population that democracy meant not only periodic voting but positive change in the people's daily life. Haiti faces the difficult two-fold task of rebuilding the state and bringing about development. Haiti lacks physical and especially human resources, following past crises which caused an exodus of

trained people. Security has improved due to the efforts of MINUSTAH partnering with the Haitian National Police (HNP).

Sticking to Macroeconomic Stability

14. (C) The PM continued that Haiti has made much progress in restoring macroeconomic stability and "putting the state in order." The GOH will continue working to reform public administration, especially the justice sector. Slow implementation of government investment projects is a big handicap. Haiti's National Strategy Document on Growth and Poverty Reduction was finalized, and would be presented to donor countries at an international donors' conference in Port au Prince toward the end of April. Development challenges were considerable, and included hundreds of thousands of children not attending school, lack of potable water, lack of health services, and the high prevalence of HIV/AIDS. The population was clamoring for jobs, while the economy remained fragile and subject to inflation shock from rising world economic prices. The government is doing its best to invest in infrastructure and the environment.

15. (C) The PM addressed the political pressure that the government is exposed to on the cost of living issue. He asserted that some politicians are using this issue against the interests of stabilization. The GOH will not depart from its macro-economic stability plan, nor will it give in to demands to lower taxes on basic products. The fundamental requirement was an economic environment that attracted investment. The government saw the "Communal Impact Program" (PIC) as the main tool to stimulate local economies and create local jobs. It will also expand micro-credit for

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small businesses. Alexis admitted that these are only "palliative" measures. Economic fundamentals will change only with increased investment. The government will not lie about this to the population.

Elections

16. (C) DAS Madison noted that Haiti's image is also affected by how it conducts elections. Failure to hold elections on time can undermine progress achieved on democracy -- and also impact the mindset of potential economic investors. Haiti needs to get the elections underway for renewing one-third of the Senate and to institutionalize the elections process, especially in light of the April international donors' conference. The PM agreed. The Council of Ministers had approved the electoral law. All that remains is for the President to transmit it to Parliament. (Note: That occurred by the end of the week of February 25. End note). However, the PM feared that Chamber of Deputies, interpellation of the Prime Minister scheduled for February 29 would delay consideration of the election law and the elections. (Note: The PM handily survived the February 25 vote of no confidence. ref tel. End note.) The PM then observed that Haiti cannot financially cope with the frequent elections prescribed by the 1987 Constitution, which will have to be amended. Dependency on foreign assistance for holding elections is a challenge to Haiti's national sovereignty.

17. (C) DAS Madison said she had told visiting Haitian Senators in Washington last year that constitutional change should not be an excuse not to pursue elections. Any attempt at constitutional reform would Haiti's political leadership to build a national consensus around the goals and process for such a reform. She asked the PM what the GOH hoped to achieve at the April donors, conference. Alexis pointed to the "National Strategy Document on Growth and Poverty Reduction" (French acronym DSNCRP) as the reference point for managing Haiti's development. The donor's conference would help determine how that program would be financed, which benchmarks should be applied to evaluate progress, and the

mechanism of aid delivery.

¶ 8. (C) The DAS concluded by saying that this is a unique moment in Haiti, when real progress is being made and it is critical that the momentum be maintained. She underscored our continuing commitment and our desire to support the efforts of the GOH to address very real challenges like narcotics trafficking and corruption.

¶ 9. (U) This message has been cleared by DAS Madison.
SANDERSON